

State of Kansas

**Department of Revenue
Division of Property Valuation**

**Notice of Hearing on Proposed
Administrative Regulations**

A public hearing will be conducted at 1 p.m., November 18, 2013, in the office of the Director of Property Valuation, 4th Floor, Docking State Office Building, 915 S.W. Harrison Street, Topeka, Kansas 66612-1585, to consider amendments to K.A.R. 93-6-2, 93-6-3 and 93-6-6, rules and regulations of the Secretary of Revenue establishing the qualifications for the designation of registered mass appraiser.

This 60-day notice of the public hearing shall constitute a public comment period for the purpose of receiving written public comments on the proposed amendments. All interested parties may submit written comments prior to the hearing to Roger Hamm, Deputy Director of Property Valuation, 4th Floor, Docking State Office Building, 915 S.W. Harrison Street, Topeka, Kansas 66612-1585 (roger.hamm@kdor.ks.gov).

All interested parties will be given a reasonable opportunity to present their views, orally or in writing, concerning the adoption of the proposed amendments during the hearing. In order to give all persons an opportunity to present their views, it may be necessary to request each participant to limit any oral presentations to five minutes.

Any individual with a disability may request accommodation in order to participate in the public hearing and may request the proposed amendments and economic impact statement in an accessible format. Request for accommodation to participate in the hearing should be made at least five working days in advance of the hearing by contacting Roger Hamm at (785) 296-2365. Handicapped parking is located in State Parking Lot No. 2, southeast of the Docking State Office Building facing 10th Street, and the east entrance to the Docking State Office Building is accessible.

A summary of the proposed amendments and their economic impact follows:

93-6-2. Education requirements. Course hours to obtain the registered mass appraiser designation are increased from 180 to 200 hours. Mandatory course hours are increased from 140 hours to 170 hours. International Association of Assessing Officer's course 400 on assessment administration is added to the list of mandatory courses. The remaining course may be obtained from courses approved by the Director of Property Valuation. The Department of Revenue estimates the cost of obtaining the registered mass appraisal designation will range from \$2,540 to \$7,700, depending on the courses selected. These costs will be borne by the registered mass appraiser, except where the county elects to pay for the courses. There will be no economic impact on the general public, except as indicated above.

93-6-3. Continuing education requirements. Of the 120 hours of continuing education required to maintain the registered mass appraiser designation, no fewer than 60 hours may be accumulated through tested appraisal courses. No more than 21 hours may be accumulated through Internet courses that include a non-proctored exam. The remaining hours may be seminar hours. The Department of Revenue estimates the cost of continuing education will range from \$415 to \$850 per year, depending on the courses selected. These costs will be borne by the registered mass appraiser, except where the county elects to pay for the courses. There will be no economic impact on the general public, except as indicated above.

93-6-6. Reciprocity. A candidate for the registered mass appraiser designation may file an application with the Secretary of Revenue to substitute one or more case studies required for a professional designation from the International Association of Assessing Officers for the case study requirements of K.A.R. 93-6-5. There is no economic impact.

Copies of the proposed amendments and the associated economic impact statements may be obtained from the Division of Property Valuation or may be accessed from the Division's website at <http://www.ksrevenue.org/pvd.html>.

Nick Jordan
Secretary of Revenue

93-6-2. Education requirements. (a) Each candidate for the registered mass appraiser (RMA) designation shall complete ~~180~~ 200 hours of courses, which shall include those courses specified in subsection (b). Each course shall require the successful completion of a written exam. "Hour," as used in this regulation, shall mean one clock-hour of ~~no fewer than~~ at least 50 minutes.

(b) Mandatory courses shall consist of the following:

International association of assessing officers

(IAAO) course I 101 or equivalent course

approved by the secretary of revenue 30 hours

IAAO course II 102 or equivalent course

approved by the secretary of revenue 30 hours

IAAO ~~standards and ethics~~ course 151 or

equivalent course approved by the secretary of

revenue 15 hours

IAAO course 300, 311, or 312 or equivalent

course approved by the secretary of revenue 30 hours

IAAO course 400 or equivalent course

approved by the secretary of revenue 30 hours

Kansas property tax law course approved by
the secretary of revenue 20 hours

Personal property course approved by the
secretary of revenue..... 15 hours

Total mandatory course hours ~~140~~ 170 hours

~~A~~ Any candidate may substitute successfully completed appraisal courses with an emphasis on mass appraisal approved by the real estate appraisal board appointed by the governor pursuant to K.S.A. 58-4104, and amendments thereto. However, no course substitution shall be permitted for the Kansas property tax law course and the personal property course. Course substitution shall be subject to the approval of the secretary of revenue upon finding that the course approved by the real estate appraisal board is substantially equivalent to the corresponding course required by this regulation.

(c) The remaining ~~40~~ 30 course hours may be selected from courses offered ~~by an appraisal sponsor of the appraisal foundation or approved by the director of property valuation. "Appraisal foundation" means the appraisal foundation established on November 30, 1987, as a not for profit corporation under the laws~~

~~of Illinois.~~ To obtain course approval, the candidate shall demonstrate that the content of the course is directly related to the appraisal of real or personal property for ad valorem taxation purposes. (Authorized by and implementing K.S.A. ~~1999~~ 2012 Supp. 19-430; effective, T-93-8-29-97, Aug. 29, 1997; effective Dec. 5, 1997; amended April 20, 2001; amended P-_____.)

93-6-3. Continuing education requirements. (a)(1) ~~Effective on and after July 1, 2001,~~ Each individual who has ~~successfully~~ obtained the registered mass appraiser (RMA) designation shall successfully complete ~~a minimum of~~ at least 120 hours of continuing education every four years in order to retain the designation. "Hours," as used in this regulation, shall mean one clock-hour of ~~no fewer than~~ at least 50 minutes. The four-year period shall correspond with the four-year appointment period for county appraisers ~~set forth in~~ pursuant to K.S.A. 19-430, and amendments thereto. Each individual who first obtains the RMA designation during any of the six-month periods of the appointment period specified in this paragraph shall successfully complete course hours during the remainder of the appointment period as follows:

<u>First six months</u>	<u>120 hours</u>
<u>Second six months.....</u>	<u>105 hours</u>
<u>Third six months</u>	<u>90 hours</u>
<u>Fourth six months</u>	<u>75 hours</u>
<u>Fifth six months</u>	<u>60 hours</u>
<u>Sixth six months</u>	<u>45 hours</u>
<u>Seventh six months</u>	<u>30 hours</u>

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An individual who obtains the RMA designation during the final six months of the appointment period shall not be required to complete any course hours.

No more than half of the course hours shall be obtained from workshops or seminars.

(2)(A)(i) At least 60 hours of continuing education shall be accumulated through appraisal courses, each of which shall require the successful completion of a written exam. No more than 21 of these 60 hours may be accumulated through online courses, each of which shall include a nonproctored exam.

(ii) The remaining 60 hours of continuing education may be seminar hours.

(B) ~~No fewer than~~ At least 90 hours of continuing education shall be completed during ~~the relevant~~ each four-year period. No more than 30 hours may be carried forward from one four-year period to the next four-year period.

(b) The continuing education courses shall ~~be the same as~~ include those established by the director of property valuation for an eligible Kansas appraiser ~~under the provisions of~~ pursuant to K.S.A. 19-432, and amendments thereto. In

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addition, each individual with the RMA designation shall complete the following courses and workshop during each four-year period:

(1) IAAO ~~standards and ethics~~ (international association of assessing officers) course 151 or IAAO course 191 or equivalent course approved by the secretary of revenue and;

(2) the Kansas property tax law course ~~once every four years~~ or the Kansas property tax law update course; and

(3) the Kansas standards of mass appraisal workshop. (Authorized by and implementing K.S.A. ~~1999~~ 2012 Supp. 19-430; effective, T-93-8-29-97, Aug. 29, 1997; effective Dec. 5, 1997; amended April 20, 2001; amended P _____.)

93-6-6. Reciprocity. A Any candidate for the registered mass appraiser (RMA) designation who has completed one or more case studies as a prerequisite for obtaining a professional designation from ~~an appraisal sponsor of the appraisal foundation~~ the international association of assessing officers may file an application with the secretary of revenue to waive either or both of the case study requirements of K.A.R. 93-6-5. Either or both of the case study requirements of K.A.R. 93-6-5 may be waived by the secretary of revenue upon finding that the candidate has completed a case study that is comparable to the case study sought to be waived. (Authorized by and implementing K.S.A. 2012 Supp. 19-430, ~~as amended by L. 1997, Ch. 126, § 33~~; effective, T-93-8-29-97, Aug. 29, 1997; effective Dec. 5, 1997; amended P- _____.)

ECONOMIC IMPACT STATEMENT

This is a single economic impact statement for proposed amendments to permanent regulations 93-6-2, 93-6-3 and 93-6-6. These regulations are required by K.S.A. 2012 Supp. 19-430.

- I. **BRIEF DESCRIPTION OF PROPOSED REGULATIONS AND THEIR INTENDED EFFECT:** K.A.R. 93-6-2 establishes education

requirements for the designation of registered mass appraiser ("RMA"). K.A.R. 93-6-3 establishes continuing education requirements to retain the RMA designation. K.S.A. 93-6-6 establishes reciprocity for course substitution for the RMA designation.

II. WHETHER OR NOT THE PROPOSED REGULATIONS ARE MANDATED BY FEDERAL LAW AS A REQUIREMENT FOR PARTICIPATION IN OR IMPLEMENTING A FEDERALLY SUBSIDIZED OR ASSISTED PROGRAM: No.

III. WHETHER THE PROPOSED REGULATIONS EXCEED THE REQUIREMENTS OF APPLICABLE FEDERAL LAW: N/A.

IV. DESCRIPTION OF THE COST, THE PERSONS WHO WILL BEAR THE COST, AND THOSE WHO WILL BE AFFECTED BY THE PROPOSED REGULATIONS: The educational requirements will involve cost, *i.e.*, the cost of the prescribed courses, travel, lodging and time away from the candidate's regular duties. The cost will be borne by the candidate in some instances and by the employing county in other instances. For example, a county appraiser or an employee in the appraiser's office may seek the RMA designation or an individual who is not employed by the county may seek the RMA designation in order to later seek county employment. The exact cost will vary depending on the above factors, but the department of revenue estimates that the cost will range from \$2,540 to \$7,700 for a candidate to obtain the RMA designation. The cost of continuing education will range from \$415 per year to \$850 per year. Private Citizens will not bear the cost, except as provided above. Course fees fund the cost of courses provided by the department of revenue.

V. A DESCRIPTION OF ANY LESS COSTLY OR LESS INTRUSIVE METHODS THAT WERE CONSIDERED BY THE STATE AGENCY FOR ACHIEVING THE STATED PURPOSE OF THE REGULATIONS AND THE REASONS THAT THOSE METHODS WERE REJECTED IN FAVOR OF THE PROPOSED REGULATIONS: The RMA was created in 1997 as a designation with

a primary emphasis on education and experience relevant to the Kansas ad valorem property tax system. Prior to the creation of the RMA designation, K.S.A. 2012 Supp. 19-430 required county appraisers to obtain a designation from either the International Association of Assessing Officers or the Kansas Real Estate Appraisal Board. As a KDOR sponsored designation, efforts have been made to keep the cost of obtaining and maintaining the designation as low as possible. The primary cost for obtaining any designation are the education fees. The education requirements are similar for the three designation options; however the annual RMA renewal fee has been \$25.00 since its inception, as opposed to annual fees averaging between \$160 and \$275 for the other designations. The only way to make the proposed regulations less intrusive would be to prescribe less education for county appraisers. This alternative was rejected because the position of county appraiser demands a highly qualified individual who can value property in compliance with the constitution and laws of Kansas and who can instill confidence in his or her appraisals by the public.

SUMMARY: These regulations will not impact the revenue of cities, counties or school districts. They will impose responsibilities on counties by giving them the option of appointing county appraisers with the RMA designation, although they will continue to have the option to appoint county appraisers with the other designations prescribed by K.S.A. 2012 Supp.